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## South Dakota FSA Newsletter

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### South Dakota Farm Service Agency

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[www.fsa.usda.gov/sd](http://www.fsa.usda.gov/sd)

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Joyce Jobgen, Member  
Ethel Whitcher, Member

#### Program Directors:

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### USDA Offers New Loans for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets.

The program also offers a new "microloan" option, which allows applicants seeking less than \$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected

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To find contact  
information for your local  
office go to  
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to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

#### Sidebar

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loan. Eligible commodities now include aquaculture; floriculture; fruits (including nuts) and vegetables; corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

To learn more about Farm Storage Facility Loans, visit [www.fsa.usda.gov/pricesupport](http://www.fsa.usda.gov/pricesupport) or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

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## USDA Establishes New Partnerships to Link Underserved Farmers to FSA Programs

Minority, Women, New and Beginning, Military Veteran and Urban Producers to Receive Training and Information on Agency Services

USDA announced cooperative agreements with 55 partners to educate farmers and other producers that have been underserved by USDA programs historically about Farm Service Agency (FSA) programs that provide financial, disaster or technical support. Nearly \$2.5 million will go to nonprofits, associations, universities, and foundations that will provide training and information on agricultural best practices, local networking opportunities, and more.

FSA, which solicited applications last fall, received nearly 100 proposals that requested over \$9 million in funding. Cooperative agreements,

encompassing more than 28 states, will be between \$20,000 and \$75,000 each and several involve multi-state or national efforts. A list of awardees can be found at [www.fsa.usda.gov/outreach](http://www.fsa.usda.gov/outreach).

FSA also announced today that it is accepting proposals for consideration in the second evaluation period. Applications are due no later than July 11, 2016. Projects not selected during the first evaluation period will be reconsidered during the second period. Additional information on the funding solicitation and the related FSA programs can be found at [www.grants.gov](http://www.grants.gov) using reference number USDA-FSA-CA-2016-001. For nonprofits and public institutions of higher education that are considering participation, a recording of the online informational session held with stakeholders is posted on the web at [www.fsa.usda.gov/outreach](http://www.fsa.usda.gov/outreach).

USDA is also helping producers find an entry into farming through urban agriculture opportunities and the increasing consumer demand for locally-produced items. Under this Administration, USDA has invested more than \$1 billion in over 40,000 local and regional food businesses and infrastructure projects. USDA is committed to helping farmers, ranchers, and businesses access the growing market for local and regional foods, which was valued at \$12 billion in 2014 according to industry estimates. More information on how USDA investments are connecting producers with consumers and expanding rural economic opportunities is available in [Chapter IV](#) of [USDA Results on Medium](#).

Main column

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## USDA Expands Safety-Net for Dairy Operations Adding Next Generation Family Members

Dairy farms participating in the Margin Protection Program (MPP) can now update their production history when an eligible family member joins the operation. The voluntary program, established by the 2014 Farm Bill, protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

For more information, visit FSA online at [www.fsa.usda.gov/dairy](http://www.fsa.usda.gov/dairy) or stop by a local FSA office and ask about the Margin Protection Program. To find a local FSA office in your area, visit <http://offices.usda.gov>.

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## Changing Administrative Counties

Producers who wish to transfer their farm records to a different administrative county for Fiscal Year (FY) 2016 must file a request no later than August 1, 2016. Restrictions do apply when transferring to an office other than the county in which the land is physically located. Contact your local FSA office for more information.

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## CRP Payment Limitation

Payments and benefits received under the Conservation Reserve Program (CRP) are subject to the following:

- payment limitation by direct attribution
- foreign person rule
- average adjusted gross income (AGI) limitation The 2014 Farm Bill continued the \$50,000 maximum CRP payment amount that can be received annually, directly or indirectly, by each person or legal entity. This payment limitation includes all annual rental payments and incentive payments (Sign-up Incentive Payments and Practice Incentive Payments). Annual rental payments are attributed (earned) in the fiscal year in which program performance occurs. Sign-up Incentive Payments (SIP) are attributed (earned) based on the fiscal year in which the contract is approved, not the fiscal year the contract is effective. Practice Incentive Payments (PIP) are attributed (earned) based on the fiscal year in which the cost-share documentation is completed and the producer or technical service provider certifies performance of practice completion to the county office. Such limitation on payments is controlled by direct attribution.
- Program payments made directly or indirectly to a person are combined with the pro rata interest held in any legal entity that received payment, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Program payments made directly to a legal entity are attributed to those persons that have a direct and indirect interest in the legal entity, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Payment attribution to a legal entity is tracked through four levels of ownership. If any part of the ownership interest at the fourth level is owned by another legal entity, a reduction in payment will be applied to the payment entity in the amount that represents the indirect interest of the fourth level entity in the payment entity. Essentially, all payments will be “attributed” to a person’s Social Security Number. Given the current CRP annual rental rates in many areas, it is important producers are aware of how CRP offered acreages impact their \$50,000 annual payment limitation. Producers should contact their local FSA office for additional information. NOTE: The information in the above article only applies to contracts subject to 4-PL and 5-PL regulations. It does not apply to contracts subject to 1-PL regulations.

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## 2016 ACREAGE REPORTING DATES

In order to comply with FSA program eligibility requirements, all producers are encouraged to visit their local FSA office to file an accurate crop certification report by the applicable deadline.

Acreage reporting dates vary by crop and by county so please contact your local FSA office for a list of county-specific deadlines.

The following exceptions apply to acreage reporting dates:

- If the crop has not been planted by the applicable acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the applicable acreage reporting date, then the acreage must be reported no later than 30 calendar days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of “cover only,” “green manure,” “left standing,” or “seed,” then the acreage must be reported by July 15th. Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the applicable dates or 15 calendar days before grazing or harvesting of the crop begins. For questions regarding crop certification and crop loss reports, please contact your local FSA office.

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## **Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)**

The Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the Livestock Forage Disaster Program (LFP), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from October 1, 2015 to September 30, 2016 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by November 1, 2016
- An application for payment by November 1, 2016

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at

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## USDA Announces Changes to Fruit, Vegetable and Wild Rice Planting Rules

Farm Service Agency (FSA) has announced fruit, vegetable and wild rice provisions that affect producers who intend to participate in certain programs authorized by the Agricultural Act of 2014.

Producers who intend to participate in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs are subject to an acre-for-acre payment reduction when fruits and nuts, vegetables or wild rice are planted on the payment acres of a farm. Payment reductions do not apply to mung beans, dry peas, lentils or chickpeas. Planting fruits, vegetables or wild rice on acres that are not considered payment acres will not result in a payment reduction. Farms that are eligible to participate in ARC/PLC but are not enrolled for a particular year may plant unlimited fruits, vegetables and wild rice for that year but will not receive ARC/PLC payments for that year. Eligibility for succeeding years is not affected.

Planting and harvesting fruits, vegetables and wild rice on ARC/PLC acreage is subject to the acre-for-acre payment reduction when those crops are planted on either more than 15 percent of the base acres of a farm enrolled in ARC using the county coverage or PLC, or more than 35 percent of the base acres of a farm enrolled in ARC using the individual coverage.

Fruits, vegetables and wild rice that are planted in a double-cropping practice will not cause a payment reduction if the farm is in a double-cropping region as designated by the USDA's Commodity Credit Corporation.

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## Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

### Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

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USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave.,

SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).

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